

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

TALEN ENERGY SUPPLY, LLC,
et al.,¹

Debtors.

)
) Chapter 11
)
) Case No. 22-90054 (MI)
)
)
) (Jointly Administered)
)

**VERIFIED STATEMENT
PURSUANT TO BANKRUPTCY RULE 2019
OF AD HOC GROUP OF CROSSHOLDERS**

In connection with the chapter 11 cases (the “Chapter 11 Cases”) commenced by Talen Energy Supply, LLC (“TES”) and its affiliated debtors (the “Debtors”) on May 9, 2022 (the “Petition Date”), pursuant to rule 2019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rule 2019”), Paul, Weiss, Rifkind, Wharton & Garrison LLP (“Paul, Weiss”) and Porter Hedges LLP (“Porter Hedges”, and together with Paul, Weiss, “Counsel”) hereby submit this verified statement (this “Verified Statement”) with respect to Counsel’s representation of the ad hoc group (the “Ad Hoc Group of Crossholders”) formed by certain unaffiliated holders (each, a “Member”) of the Debtors’ (i) loans (“Term Loans”) under that certain Term Loan Credit Agreement, dated as of July 8, 2019, among TES, as borrower, the subsidiary guarantors party thereto, Wilmington Trust, National Association, as successor administrative agent and the lenders from time to time party thereto, (ii) (A) the 7.25% Senior Secured Notes Due 2027 (the “2027 Secured Notes”), (B) the 6.625% Senior Secured Notes Due 2028 (the “2028 6.625% Secured

¹ Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their tax identification, registration, or like numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ proposed claims and noticing agent at <https://cases.ra.kroll.com/talenenergy>. The location of Debtor Talen Energy Supply, LLC’s principal place of business and the Debtors’ service address is: 1780 Hughes Landing Boulevard, Suite 800, The Woodlands, Texas 77380.

Notes”), and (C) the 7.625% Senior Secured Notes Due 2028 (the “2028 7.625% Secured Notes”), each issued by TES, (iii) (A) the 9.500% Senior Notes Due 2022 (the “2022 Unsecured Notes”), (B) the 6.500% Senior Notes Due 2025 (the “2025 Unsecured Notes”), and (C) the 10.50% Senior Notes Due 2026 (the “2026 Unsecured Notes”), each issued by TES, and (iv) commitments for future fundings under the term loan facility (the “DIP TL Commitments”) under that certain Superpriority Secured Debtor-In-Possession Credit Agreement, to be entered into among TES, as borrower, Citibank, N.A., as administrative agent and collateral trustee and issuing lenders party thereto from time to time, and in support hereof respectfully states as follows:

1. In August 2021, the Ad Hoc Group of Crossholders retained Paul, Weiss to represent it as counsel in connection with a potential restructuring of the Debtors. In May 2022, the Ad Hoc Group of Crossholders retained Porter Hedges to serve as its Texas counsel with respect to such matters.

2. In accordance with Bankruptcy Rule 2019, attached hereto as **Exhibit A** is a list of the names, addresses, and disclosable economic interests as of May 10, 2022, of all the members of the Ad Hoc Group of Crossholders. The information set forth herein (including **Exhibit A**) is based upon information provided to Counsel by the Members of the Ad Hoc Group of Crossholders and is intended only to comply with Bankruptcy Rule 2019.

3. As of the date of this Verified Statement, Counsel represents only those entities listed on **Exhibit A** in connection with the Chapter 11 Cases. Counsel does not undertake to represent the interests of, and are not a fiduciary for, any other creditor, party in interest, or other entity. No member of the Ad Hoc Group of Crossholders has or is a party to any agreement to act as a group or in concert with respect to its interests in the Debtors, and each member of the Ad Hoc Group of Crossholders has the unrestricted right to act as it chooses in respect of such interests without respect to the actions or interests of any other party. In addition, neither the Ad Hoc Group

of Crossholders nor any member of the Ad Hoc Group of Crossholders (i) assumed any fiduciary or other duties to any other creditor or person and (ii) does not purport to act, represent, or speak on behalf of any other entities in connection with the Chapter 11 Cases.

4. Nothing contained in this Verified Statement (including **Exhibit A**) is intended to or should be construed as (i) a limitation upon, or waiver of any right to assert, file and/or amend its claims in accordance with applicable law and any orders entered in these Chapter 11 Cases by any member of the Ad Hoc Group of Crossholders, or (ii) an admission with respect to any fact or legal theory.

5. The Ad Hoc Group of Crossholders, through its undersigned counsel, reserves the right to amend or supplement this Verified Statement as necessary for that or any other reason in accordance with the requirements set forth in Bankruptcy Rule 2019.

6. The undersigned verifies that the foregoing is true and correct to the best of their knowledge and that the information contained in **Exhibit A** has been provided by the named entities.

[Signatures on next page]

Dated: May 10, 2022
Houston, Texas

PORTER HEDGES LLP

/s/ John F. Higgins

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-and-

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***CO-COUNSEL TO THE AD HOC GROUP
OF CROSSHOLDERS***

CERTIFICATE OF SERVICE

I hereby certify that on May 10, 2022, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ John F. Higgins

EXHIBIT A¹**Disclosable Economic Interests of the Members of the Ad Hoc Group of Crossholders**

Name²	Address	Principal Amount of DIP TL Commitments	Principal Amount of Term Loans	Principal Amount of 2027 Secured Notes	Principal Amount of 2028 6.625% Secured Notes	Principal Amount of 2028 7.625% Secured Notes	Principal Amount of 2022 Unsecured Notes	Principal Amount of 2025 Unsecured Notes	Principal Amount of 2026 Unsecured Notes
Certain funds and/or accounts, or subsidiaries of such funds and/or accounts, managed, advised or controlled by BlackRock Financial Management, Inc., or an affiliate thereof ³	40 East 52nd Street New York, NY 10022	\$55,000,000	N/A	\$45,654,000	\$17,532,000	\$7,343,000	N/A	N/A	N/A

¹ To the best of Counsel's knowledge, the information included herein is accurate as of May 10, 2022. Amounts listed on this **Exhibit A** do not include any claims for, without limitation, fees, expenses, accrued and unpaid interest, premiums, make whole premiums or other similar premiums or indemnification that may be owing under any credit agreement, indenture or other instrument, agreement or document.

² Each entity on this **Exhibit A** holds disclosable economic interests, or acts as investment advisor or manager to funds, entities, accounts and/or their respective subsidiaries that hold disclosable economic interests, in relation to the Chapter 11 Cases. In addition, the amounts set forth herein may include, in certain circumstances, disclosable economic interests that are subject to pending trades, assignments, or other transfers that have not settled or otherwise been closed as of the date hereof.

³ Certain other funds and accounts managed or advised by affiliates of BlackRock Financial Management, Inc. may hold equity or debt in the Debtors. Counsel does not represent these funds with respect to such holdings.

Name ²	Address	Principal Amount of DIP TL Commitments	Principal Amount of Term Loans	Principal Amount of 2027 Secured Notes	Principal Amount of 2028 6.625% Secured Notes	Principal Amount of 2028 7.625% Secured Notes	Principal Amount of 2022 Unsecured Notes	Principal Amount of 2025 Unsecured Notes	Principal Amount of 2026 Unsecured Notes
Capital Research and Management Company, on behalf of certain funds and/or accounts for which it serves as investment manager or adviser	333 South Hope Street, 50th Floor Los Angeles, CA 90071	\$140,000,000	\$44,746,131	\$216,603,000	\$10,164,000	\$78,964,000	N/A	N/A	\$90,390,000
FFI Fund, Ltd., FYI Ltd. and Olifant Fund, Ltd.	888 Boylston Street, 15th Floor Boston, MA 02199	N/A	\$54,153,030	\$163,257,000	\$13,376,000	\$3,000,000	\$10,365,000	N/A	N/A
Funds managed by Sculptor Capital LP or an affiliate thereof	C/O Sculptor Capital 9 W 57th Street, 40th Floor New York, NY 10019	\$65,000,000	N/A	\$9,000,000	\$85,000,000	N/A	N/A	\$14,000,000	\$10,000,000
Nassau Corporate Credit, LLC	17 Old Kings Hwy S, Suite 200, Darien, CT 06820	N/A	\$1,485,000	N/A	N/A	N/A	N/A	N/A	N/A
Nomura Corporate Research and Asset Management, Inc., as investment advisor to Beneficial Holders	C/O Derek Leung 309 West 49 th Street, 9 th Floor New York, NY 10019	N/A	N/A	\$4,379,000	\$14,007,000	\$225,000	N/A	\$1,250,000	\$5,620,000
Total		\$260,000,000	\$100,384,161	\$438,893,000	\$140,079,000	\$89,532,000	\$10,365,000	\$15,250,000	\$106,010,000